

Rule 3-406. Budget and fiscal management.

Intent:

To develop and maintain the policies and programs of the judiciary through sound fiscal management.

To provide for sound fiscal management through the coordinated and cooperative effort of central and local authorities within the judiciary.

To maintain accountability for appropriated funds, and to maintain a balanced budget.

To cooperate with the Governor and the Legislature in managing the fiscal resources of the state.

Applicability:

This rule shall apply to the management of all funds appropriated by the state to the judiciary.

Statement of the Rule:

(1) Fiscal programs and program directors established. For purposes of fiscal management, the judiciary is divided into ~~the following~~ programs. Each program budget is managed by ~~the designated a~~ program director designated by the state court administrator and approved by the Management Committee.:

~~(A) Administrative Office~~ ~~Director of Support Services~~

~~(B) Supreme Court~~ ~~Appellate Court Administrator~~

~~(C) Supreme Court Library~~ ~~Law Librarian~~

~~(D) Court of Appeals~~ ~~Appellate Court Administrator~~

~~(E) District Court~~ ~~District Court Administrator~~

~~(F) Juvenile Court~~ ~~Juvenile Court Administrator~~

~~(G) Justice Court~~ ~~Justice Court Administrator~~

~~(H) Judicial Education~~ ~~Judicial Education Manager~~

~~(I) Data Processing~~ ~~Data Processing Manager~~

~~Programs shall be divided by geographic division of the courts of record.~~ The budgets of ~~the a~~ geographic division shall be managed by the court executives subject to the general supervision of the program director.

(2) Budget management.

(A) Responsibility of the council. The responsibility of the Council is to:

(i) cooperate with the Governor and the Legislature in managing the fiscal resources of the state;

(ii) assure that the budget of the judiciary remains within the limits of the appropriation set by the Legislature; and

(iii) allocate funds as required to maintain approved programs and to assure a balanced judicial budget.

(B) Responsibility of the state court administrator. It is the responsibility of the state court administrator to:

(i) implement the directives of the Council;

(ii) direct the management of the judiciary's budget, including orders to reduce or redirect allocations upon notice to the Council; and

(iii) negotiate on behalf of the Council the position of the judiciary with the executive and legislative branches.

(C) Responsibility of the administrative office. It is the responsibility of the administrative office to:

(i) clear all warrants and other authorizations for the payment of accounts payable for the availability of funds;

(ii) monitor all expenditures;

(iii) provide monthly expenditure reports by court to court executives, program directors, the state court administrator, Boards of Judges and the Council; and

(iv) develop a manual of procedures to govern the payment of accounts payable and the audit thereof. The procedures shall be in conformity with generally accepted principles of accounting and budget management.

(D) Responsibility of the program directors. Within their respective programs, it is the responsibility of the program directors to:

(i) comply with the directives of the Council and the state court administrator;

(ii) administer the reduction or redirection of allocations;

(iii) monitor all expenditures;

(iv) supervise and manage court budgets in accordance with the manual of procedures; and

(v) develop recommendations for fiscal priorities, the allocation of funds, and the reduction or redirection of allocations.

(E) Responsibility of court executives. Within their respective courts, it is the responsibility of court executives to:

(i) comply with the directives of the Council, the state court administrator, and the program director, and to consult with the presiding judge and the individual judges of that jurisdiction concerning budget management;

(ii) develop work programs that encumber no more funds than may be allocated, including any reduction in allocation;

(iii) amend work programs as necessary to reflect changes in priorities, spending patterns, or allocation;

(iv) credit and debit accounts that most accurately reflect the nature of the planned expenditure;

(v) authorize expenditures;

(vi) prepare warrants and other authorizations for payment of accounts payable for submission to the Administrative Office;

(vii) monitor all expenditures; and

(viii) develop recommendations for fiscal priorities, the allocation of funds, and the reduction or redirection of allocations.

(F) Process. After the legislative general session the state court administrator shall consider all sources of funds and all obligated funds and develop a recommended spending plan that most closely achieves the priorities established by the Council at the prior annual planning meeting. The state court administrator shall review the recommended spending plan with the Management Committee and present it to the Judicial Council for approval.

(3) Budget development.

(A) Responsibility of the council. It is the responsibility of the Council to:

(i) establish responsible fiscal priorities that best enable the judiciary to achieve the goals of its policies;

(ii) develop the budget of the judiciary based upon the needs of organizations and the priorities established by the Council;

(iii) communicate the budget of the judiciary to the executive and legislative branches; and

(iv) allocate funds to the geographic divisions of courts in accordance with priorities established by the Council.

(B) Responsibility of the boards. It is the responsibility of the Boards to:

(i) develop recommendations for funding priorities; and

(ii) review, modify, and approve program budgets for submission to the Council.

(C) Responsibility of the state court administrator. It is the responsibility of the state court administrator to:

(i) negotiate on behalf of the Council the position of the judiciary with the executive and legislative branches; and

(ii) develop recommendations to the Council for fiscal priorities and the allocation of funds.

(D) Responsibility of the administrative office. It is the responsibility of the Administrative Office to:

(i) develop a schedule for the timely completion of the budget process, including the completion of all intermediate tasks;

(ii) assist program directors and court executives in the preparation of budget requests; and

(iii) compile the budget of the judiciary.

(E) Responsibility of the program directors. Within their respective programs, it is the responsibility of program directors to review, modify, and approve budget requests.

(F) Responsibility of court executives. Within their respective courts, it is the responsibility of court executives to:

(i) work closely with presiding judges, judges, and staff to determine the needs of the organization; and

(ii) develop a budget request that adequately and appropriately meets those needs.

(G) Process.

(i) Each Board of Judges, each court and committee and each department of the administrative office of the courts may develop, prioritize and justify a budget request.

The courts shall submit their requests to the appropriate Board of Judges. The

committees and the departments of the AOC shall submit their requests to the state court administrator.

(ii) The Boards shall consolidate and prioritize the requests from the courts and the requests originated by the Board. The state court administrator shall consolidate and prioritize the requests from the committees and departments.

(iii) The state court administrator shall review and analyze all prioritized budget requests and develop a recommended budget request and funding plan. The state court administrator shall review the analysis and the recommended budget request and funding plan with the Council.

(iv) At its annual planning meeting the Council shall consider all prioritized requests and the analysis and recommendations of the state court administrator and approve a prioritized budget request and funding plan for submission to the governor and the legislature.

(4) General provisions.

(A) Appropriations dedicated by the Legislature or allocations dedicated by the Council shall be expended in accordance with the stated intent.

(B) All courts and the Administrative Office shall comply with the provisions of state law and the manual of procedures.

(C) Reductions in allocations, reductions in force, and furloughs may be ordered by the state court administrator with notice to the Council. In amending the work program to reflect a budget cut, reductions in force and furloughs shall be used only when absolutely necessary to maintain a balanced budget. If reductions in force are necessary, they shall be made in accordance with approved personnel procedures. If furloughs are necessary, they should occur for no more than two days per pay period.